



Value Added Tax Act 1994

1994 CHAPTER 23

PART I

THE CHARGE TO TAX

Payment of VAT by taxable persons

[^{F1}26AB Adjustment of output tax in respect of supplies under section 55A

- (1) This section applies if—
 - (a) a person is, as a result of section 26A, taken not to have been entitled to any credit for input tax in respect of any supply, and
 - (b) the supply is one in respect of which the person is required under section 55A(6) to account for and pay VAT.
- (2) The person is entitled to make an adjustment to the amount of VAT which he is so required to account for and pay.
- (3) The amount of the adjustment is to be equal to the amount of the credit for the input tax to which the person is taken not to be entitled.
- (4) Regulations may make such supplementary, incidental, consequential or transitional provisions as appear to the Commissioners to be necessary or expedient for the purposes of this section.
- (5) Regulations under this section may in particular—
 - (a) make provision for the manner in which, and the period for which, the adjustment is to be given effect,
 - (b) require the adjustment to be evidenced and quantified by reference to such records and other documents as may be specified by or under the regulations,
 - (c) require the person entitled to the adjustment to keep, for such period and in such form and manner as may be so specified, those records and documents,
 - (d) make provision for readjustments if any credit for input tax is restored under section 26A.

***Changes to legislation:** There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 26AB. (See end of Document for details)*

(6) Regulations under this section may make different provision for different circumstances.]

Textual Amendments

F1 S. 26AB inserted (1.6.2007) by [Finance Act 2006 \(c. 25\)](#), [s. 19\(2\)\(8\)](#); S.I. 2007/1419, art. 2

Changes to legislation:

There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 26AB.